

King County Quarterly Economic Measures

First Quarter, 1999

Executive Summary	1
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Statistical Tables

U.S. Economic Measures.....	6
General Indicators of Economic Activity.....	7
Industrial/Manufacturing Measures	8
Employment.....	9
Income Measures	10
Construction.....	11
Office Market (Seattle Overall, Downtown Seattle, Northend)	12
Office Market (Southend, Bellevue/Eastside).....	13
Industrial Market (Seattle).....	14
Industrial Market (Kent Valley)	15
Industrial Market (Eastside)	16
Retail Market	17
Apartment Vacancy Rates	18
Convention Information	19
Seattle-King County Dislocation Activity	20
Boeing and Airline Industry Data	21
Taxable Retail Sales	22

List of Sources

Executive Summary

As part of its 1999 special programs contract with the Office of Budget and Strategic Planning, the Central Puget Sound Economic Development District (EDD) produces quarterly reports on national and county economic measures. This document is an executive summary of the first quarter, 1999 report. Anyone desiring copies of the full 25-page report should contact Ray Moser, Manager, Economic Development Program at 205-0707.

I. NATIONAL

Economic Measures/Interest Rates

Following record growth in the fourth quarter of 1998, the U.S. economy demonstrated continued vitality in the opening months of the new year. Real gross domestic product (GDP) was very strong in the first quarter, growing at a 4.5% annual rate. This was down from the fourth quarter of 1998 (6.0%), but slightly ahead of the overall growth rate for 1998 (3.9%). With consumer spending at its highest level in over a decade, much of the increase in output was due to a 6.7 percent first quarter rise in personal consumption. Disposable personal income rose at an annual rate of nearly 4 percent in the first quarter of 1999, consistent with similar gains made in 1998. In response to record gains in the stock market and historically low interest rates, consumers are spending everything they earn and then some. The personal savings rate declined from 0 percent at the end of 1998 to a negative 0.5 percent in the first quarter of 1999. Continued low home mortgage rates (6.91%) kept demand for housing strong, with sales of new and existing homes in 1998 rising 10 to 13 percent above the previous year's totals.

Growth was also fueled by continued strong gains in nonresidential fixed investment, including producer purchases of durable equipment. Spending on office and computing equipment, which rose an average of 30 percent annually from 1991 through 1997, increased in 1998 at a rate of about 65 percent. Changes in business inventories were consistent with trends over the past two years, showing an increase in real terms of 4 to 5 percent. The low cost of capital, and optimism about the prospects for long-term growth has resulted in uniformly high levels of business investment.

While the increase in output has been propelled by the expenditures of both households and businesses, GDP growth has been tempered somewhat by the ongoing U.S. trade deficit. The first quarter retreat from the high growth rates of late last year was largely due to a decline in exports coupled with continued strong domestic demand for foreign goods and services.

Economic troubles abroad—the Asian economic crisis, the devaluation of the Russian *ruble*, and the later devaluation and float of the Brazilian *real*—led the Federal Reserve to ease monetary policy in the fall of 1998. By the end of the year, the federal funds rate had been reduced by $\frac{3}{4}$ of a percentage point, and the discount rate had been reduced by $\frac{1}{2}$ of a percentage point, resulting in an attendant reduction in the prime rate by major banks. Instability in international financial markets led to a sharp fall in yields on Treasury securities in the third and fourth quarters of 1998. Yields recovered slightly in the first quarter of 1999, as fears of a global financial meltdown abated.

Inflation remained low in the first quarter, with the Consumer Price Index rising at a 1.6% annual rate. This matches the 1.6% gain in 1998. One of the positive sides of the U.S. trade deficit is that consumers benefit directly from the lower prices of finished goods imported from abroad. Low cost imports further work to keep prices low, either directly through competitive pressures on domestic manufacturers, or indirectly through their use as inputs in domestic production. Low prices for foreign commodities, especially oil, helped to keep prices low throughout all of 1998.

Industrial/Manufacturing Measures

National manufacturing activity was mixed in the first quarter. In March, overall capacity utilization fell to 80.1%, continuing its decline from 81.5% a year earlier. The first quarter decline reflected both additions to the stock of capital and slower production growth. Industrial production in March inched upward by 0.1 percent, up only 1.6 percent from a year earlier. Levels of production of both durable and non-durable goods remained unchanged since December. New orders for manufactured goods rose markedly (3.2% for the quarter), led by renewed orders for transportation equipment and electronic equipment.

II. KING COUNTY

Economic Activity

The CPI-U for the western United States rose at a 2.8% annual rate in the first quarter and 2.3% during the twelve months ending March 31, 1999. This was somewhat higher than the 1.9% rise in the previous twelve months.

Bankruptcy filings fell from first quarter 1998 in both King County (17.5%) and the Central Puget Sound region as a whole (12.3%). Bankruptcy filings have been falling steadily over the past two years after rising dramatically in 1995 and 1996.

King County taxable retail sales during fourth quarter 1998 rose 6.5% over fourth quarter 1997. (Fourth quarter 1998 is the most recent quarter for which data is available.) Construction sales rose sharply (20%), as did finance, insurance, and real estate (11%), reflecting continued strong real estate activity in late 1998. Retail trade, which accounts for about half of all taxable retail sales, fell just behind the overall pace with an increase of 5.6%. Services fared similarly, rising at a rate of 6.1% over the same period last year. Sales of computer services were up a startling 20.8%. Manufacturing was down by 5.9%, and transportation, communications and utilities declined by 13.8% from fourth quarter 1997.

Taxable retail sales in the city of Seattle increased slightly, up 5.5% in fourth quarter 1998 over fourth quarter 1997. As in King County overall, construction sales led, up 14%, with finance, insurance, and real estate up 11%. Retail trade was up 4.6%, buoyed by strong auto sales (up 13%). Services growth (up 7.8%) was driven by a strong sales increase in computer services (up 19%).

Employment

King County's first quarter unemployment rate rose slightly to 3.3%. Unemployment in the Central Puget Sound region as a whole also rose (to 3.8%). In spite of the increases over last year's record low unemployment, King County and Puget Sound continue to outperform both the state and the national economy. In March, Washington's jobless rate stood at 5.0% while the comparable U.S. unemployment rate was 4.4%.

Employment growth continued to moderate. In the central Puget Sound region, employment rose 2.7% over first quarter 1998. Real estate activity spurred this growth, with construction (up 9.6%) and finance, insurance and real estate (4.5%) employment up from first quarter 1998. Employment in King County increased by 2.6% over its first quarter 1998 totals. Construction jobs increased by 10.4%. FIRE and wholesale and retail trade demonstrated above average growth at 3.7% and 3.5%, respectively. While services employment exhibited marginal growth of only 1.8%, employment in computer services and data processing increased by almost 10% from a year earlier. Manufacturing employment actually declined by 0.3% in the first quarter, due primarily to layoffs at Boeing.

Construction

The single-family housing market remained brisk due to the healthy regional economy and continued low interest rates. Housing prices continued to increase and selling times remained short. Home sales in King County were up just 1.8% from the first quarter of 1998. Sales of new homes rose over 40 percent in the same period. Median sales prices increased a substantial 11.6% over first quarter 1998. The average time a house in King County remained on the market continued to be quite low (42 days). Although this is slightly longer than the fourth quarter, average selling time has been quick the past eight quarters, averaging between 34 and 42 days.

First quarter construction trends were mixed in the City of Seattle. Building permit values for non-residential construction rose over first quarter 1998 (22%), while building permit values for residential construction declined by 5%. Permits were issued for 810 new residential units, down from the 1,041 units permitted in first quarter 1998.

Office Market

Following an exceptional fourth quarter 1998, the first quarter of 1999 brings some signs of a slowdown in the regional office market. Vacancy rates are up overall, and absorption, the change in the amount of leased space, was negative. However, demand remains strong in downtown Seattle and on the Eastside. While vacancy rates rose to 4.6% in Seattle and to 2.4% in Bellevue, absorption rates in both areas remained strongly positive, with between two to three hundred thousand square feet of leased space added in each market. Prices remain high, with net lease rates averaging \$28.50 per square foot per month in Seattle and \$25.37 per square foot per month on the Eastside. The supply of office space rose 8.3 percent over the past year, and more construction is planned. CB Commercial reports that Trammel Crow recently broke ground on the 308,000-square-foot One Convention Place project in Seattle, and Wright Runstad began work on a new office tower in Bellevue. In the remainder of King County, demand has slackened, with negative absorption rates for the first quarter of 1999 both north and south of

downtown. While vacancy rates remain low in North King County (1.2%), the South King County vacancy rate almost doubled, rising to 12.3%.

Industrial Market

While concern remains over the long-term effects of the recent Boeing layoffs, as well as the downturn in Asia, the market for industrial properties remains strong. Demand for traditional industrial space has softened somewhat in the first quarter of 1999. Increasing demand for high tech space has led to low vacancy rates and increasing rents.

Vacancy rates for industrial properties in Seattle remained steady (1.6%) while vacancy rates for high tech properties fell sharply (1.3%). With no new construction and low vacancy rates, absorption slowed (73,587 square feet). Activity was much more robust in the Kent Valley, with more than 1.5 million square feet of construction planned. Absorption there, and on the Eastside, was significant, with over one quarter of a million square feet of industrial space taken up in each area. Vacancy rates in the Kent Valley market remain a steady 5.7%. On the Eastside, rates for industrial space rose slightly in the first quarter to 5.4%, while the vacancy rate for high tech properties continued to fall to 2.2%.

Retail Market

A continued influx of new population and a strong holiday season resulted in a healthy retail quarter—King County retail sales were up 10% over the fourth quarter 1997. In response to increased purchases developers have completed the construction of over 6 million square feet of retail space region-wide during 1998, with another 1.5 million on the way. Projects completed through the end of the year 1998 include downtown Seattle's Pacific Place and Nordstrom's flagship department store. Vacancy rates remain low and range from 2.5% in the downtown Seattle market to 4% in the Bellevue/Eastside market to 4.9% in the Southend market (South King, Pierce, and Thurston Counties).

Convention Information

The number of Conventions and Events for first quarter 1999 was up over 30 percent from a year earlier. Total room nights increased by almost 17 percent. Local room tax collections for the fourth quarter of 1998 were 11% higher than for the fourth quarter of 1997. (First quarter 1999 local room tax data is not yet available).

Job Dislocation Activity

Layoffs rose sharply in the fourth quarter of 1998 and the first four months of 1999, due to staff reductions at Boeing. The number of dislocated workers jumped to 4,210 in fourth quarter 1998, up from only 799 in fourth quarter 1997. In the first four months of 1999, that figure more than doubled to 9,544, up from 825 the previous year. 782 seafood processing jobs were lost at American Seafoods. 290 jobs were lost when the Bogle & Gates law firm closed its doors. Other major losses included 300 jobs at Praegitzer Industries, a computer chip manufacturer in Redmond, 250 aerospace manufacturing jobs at Hexcel Corp. in Kent, and 250 production jobs at the former Rainier Brewing Co. in Seattle.

Boeing and Airline Industry Data

The largest job losses in the Central Puget Sound Region continue to come from ongoing layoffs at Boeing. Boeing employment in the first quarter of 1999 was down almost 13% from the first quarter of 1998. More layoffs are still expected as Boeing streamlines its production process. The company plans to layoff as many as 48,000 workers company-wide through 2001. Boeing contractual backlogs rose slightly to \$113.8 billion. Commercial aircraft orders backlog fell slightly in the first quarter (\$84.1 billion). Backlogs for the Information, Space and Defense Systems division, made up of elements from the former Boeing Defense & Space Group and McDonnell Douglas Corporation, increased to \$29.7 billion.

U.S. ECONOMIC MEASURES

	1998				1999
	I	II	III	IV	I
Gross Domestic Product	\$8,384.2	\$8,440.6	\$8,537.9	\$8,681.2	\$8,807.9
GDP Growth	\$450.6	\$377.2	\$367.1	\$426.7	\$423.7
Real GDP	\$7,464.7	\$7,498.6	\$7,566.5	\$7,677.7	7762.5
Real GDP Growth	\$363.1	\$262.1	\$255.3	\$313.1	297.8
% Real GDP Growth*	5.1%	3.6%	3.5%	4.3%	4.0%
% Real Quarterly GDP Growth**	1.4%	0.5%	0.9%	1.5%	1.1%
% Real GDP Growth Annualized***	5.5%	1.8%	3.7%	6.0%	4.5%
GDP Implicit Price Deflator	112.3	112.6	112.8	113.1	113.5
Consumer Price Index	161.9	162.8	163.4	164.0	164.6

INTEREST RATES	1998				1999
	I	II	III	IV	I
1 yr T-Bill	5.04	5.13	4.84	4.20	4.44
3 yr T-Bond	5.46	5.57	5.11	4.41	4.87
10 yr T-Bond	5.59	5.60	5.20	4.67	4.98
30 yr T-Bond	5.88	5.85	5.47	5.11	5.37
Discount Rate	5.00	5.00	5.00	4.66	4.50
Prime Rate	8.50	8.50	8.50	7.92	7.75
New Home Mortgage Yield (US)	7.23	7.17	7.05	6.84	6.91
Avg Mortgage Rate (Seattle CMSA)	7.18	7.20	7.07	6.81	6.87

Gross Domestic Product: Billions of current dollars. GDP figures for Q1 1999 are advance estimates, released 4/30/99.

GDP Growth: Change from same period, one year ago, in billions of current dollars

Real GDP: Gross domestic product in 1992 dollars.

Real GDP Growth: Change in real GDP from one year ago.

* % Real GDP Growth: Percentage growth from same quarter last year.

** % Real Quarterly GDP Growth: Percentage growth from last quarter.

***% Real GDP Growth Annualized: Real growth compounded quarterly to achieve an annual rate. Not seasonally adjusted.

GDP Price Deflator: 1992 =100.

CPI: 1982-1984=100. Price index covers all urban consumers.

National Interest Rates: 3 month average of rates.

New Home Mortgage Yield (National): Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Average Mortgage Rate: Average effective rate on loans with approximate term to maturity of 30 years.

SOURCES:

Economic Measures come from the U.S. Bureau of Economic Analysis (BEA) (<http://www.bea.doc.gov/bea/dn/nipbtbl-d.htm>).

National Interest Rates come from the Federal Reserve Statistical Release (<http://www.bog.frb.fed.us/releases/H15/>).

Mortgage rates come from the Federal Housing Finance Board's Monthly Interest Rate Survey (<http://www.fhfb.gov/mirs.htm>).

GENERAL INDICATORS OF ECONOMIC ACTIVITY

REGIONAL	1998				1999
	I	II	III	IV	I
CPI-U (Western U.S.)	163.2	164.0	164.7	165.7	166.9
Bankruptcies (Puget Sound)	4,780	4,628	4,289	4,205	4,192
Taxable Retail Sales (Puget Sound)	\$10,401,965,149	\$11,787,379,947	\$12,542,796,253	\$12,816,274,044	N/A
Number of businesses reporting	81,326	83,067	83,188	101,194	N/A

LOCAL	1998				1999
	I	II	III	IV	I
CPI-U (Seattle CMSA)	166.2	166.2	168.5	169.3	170.6
TOTAL Shipments					
Air freight (Metric Tons)	65,725	77,159	74,027	77,698	66,152
Water-borne freight (TEUs)					373,345
Air Passengers (Sea-Tac)	5,288,525	6,594,953	7,762,780	6,183,119	5,732,910
New Business Starts (Seattle)	3,011	1,416	2,125	2,055	1,728
Bankruptcies (King County)	2,141	2,004	1,908	1,835	1,767
Taxable Retail Sales (City of Seattle)	\$2,564,276,476	\$2,822,303,259	\$3,014,355,234	\$3,052,131,746	N/A
Number of businesses reporting	22,689	23,075	22,936	27,630	N/A
Electrical Energy Usage (1,000's of kilowatts)	2,614,681	2,226,736	2,096,446	2,355,942	2,743,722

CPI-U: Covers all urban consumers. 1982-1984 = 100. Data for selected local areas available on bimonthly basis since 1998. Figures for Seattle-Tacoma-Bremerton for Q1 1999 are from Feb. 1999. Quarterly taxable retail sales data released with a lag of up to six months.

New Business Starts consist of the total new business license accounts for the quarter.

Electrical Energy Usage figures for March 1999, used to calculate first quarter results, represent preliminary estimates.

SOURCES:

CPI: Bureau of Labor Statistics.

Waterborne freight and air traffic: Port of Seattle.

New Business Starts: Seattle Department of Licensing.

Bankruptcies: U.S. Bankruptcy Court.

Taxable Retail Sales: Quarterly *Business Review*, Department of Revenue, WA State.

Electrical Energy Usage: Seattle City Light.

INDUSTRIAL/MANUFACTURING MEASURES

National	1998				1999
	I	II	III	IV	I
Producers' Durable Equipment	738.8	771.3	769.3	806.8	821.7
Changes in Non-Farm inventories	85.9	29.9	47.0	41.7	40.2
Manufacturers' New Orders	1,005.6	998.9	1,013.0	1,001.3	1,034.3
Non-defense capital goods orders	153.2	153.1	159.3	151.1	159.9
Industrial production	127.70	128.23	128.23	132.63	132.57
Capacity utilization rates (%)					
Total Industry	82.5	82.0	81.3	81.0	80.2
Manufacturing	81.5	80.7	80.0	80.1	79.5

Producers' Durable Equipment and Changes in Non-Farm Inventories in billions of 1992 dollars, seasonally adjusted.

Manufacturers' New Orders and Non-Defense Capital Goods Orders in billions of current dollars, seasonally adjusted. Figures for Q1 1999 are preliminary estimates, released 5/5/99.

Industrial Production: 1992=100, figures are 3 month average.

SOURCES:

Producers' Durable Equipment and Changes in Non-Farm Inventories: U.S. Bureau of Economic Analysis (<http://www.bea.doc.gov/bea/dn/nipubl-d.htm>).

Manufacturers' New Orders and Non-Defense Capital Goods Orders: U.S. Census Bureau (<http://www.census.gov/indicator/www/table5p.txt>).

Industrial Production and Capacity Utilization Rate: Federal Reserve Statistical Release (<http://www.bog.frb.fed.us/releases/g17/Current/>).

EMPLOYMENT

REGION <i>King, Kitsap, Pierce, Snohomish & Island Counties</i>	1998				1999
	I	II	III	IV	I
Civilian Labor Force	1,801,440	1,796,330	1,807,630	1,836,210	1,838,680
Non-Agricultural Employment	1,620,333	1,658,933	1,667,933	1,682,817	1,664,017
Mining	1,400	1,400	1,400	1,400	1,800
Construction	78,867	84,767	91,200	90,217	86,467
Manufacturing	252,233	254,600	255,800	253,183	251,483
Transportation, Communications & Utilities	90,067	92,533	95,100	94,933	91,767
Wholesale & Retail Trade	379,000	389,900	397,367	400,583	389,383
FIRE	94,867	96,700	98,067	99,333	98,817
Services	466,633	478,700	480,767	482,367	479,717
Government	257,067	260,133	247,767	260,600	264,583
Non-Agricultural Unemployment (UE)					
Initial UE Claims	32,875	26,902	29,055	33,852	N/A
UE Rate	3.4%	3.1%	3.4%	3.4%	3.8%
Unemployment Beneficiaries	40,233	35,025	32,226	34,509	N/A
Manufacturing	6,180	5,891	5,633	6,432	N/A
Non-Manufacturing	34,053	29,135	26,593	28,077	N/A

LOCAL <i>King County</i>	1998				1999
	I	II	III	IV	I
Civilian Labor Force	1,024,533	1,024,167	1,030,200	1,043,100	1,036,933
Non-Agricultural Employment	1,061,938	1,091,056	1,131,348	1,140,150	1,089,175
Mining	485	527	525	477	485
Construction	49,163	52,931	58,701	56,763	54,263
Manufacturing	159,080	160,421	160,374	158,786	158,680
Transportation, Communications & Utilities	70,435	72,001	76,577	76,172	72,160
Wholesale & Retail Trade	252,181	258,063	266,529	266,248	260,904
FIRE	67,844	69,509	73,703	75,074	70,379
Services	315,677	327,353	355,637	360,941	321,224
Government	138,884	140,396	140,963	147,933	143,174
Non-Agricultural Unemployment (UE)					
Initial UE Claims	16,139	13,383	14,915	15,797	N/A
UE Rate	2.9%	2.8%	2.8%	3.0%	3.3%
Unemployment Beneficiaries	19,690	17,554	16,637	16,994	N/A
Manufacturing	3,015	2,955	2,845	3,055	N/A
Non-Manufacturing	16,675	14,599	13,792	13,939	N/A

Civilian Labor Force consists of workers who live in the region in question. (based on household survey).

Non-Agricultural Employment consists of workers who work in the region in question. (based on establishment survey).

All figures are averages of monthly figures except Initial UE claims, which is a 3 month sum.

Official King County non-agricultural employment data for the second half of 1998 and the first quarter of 1999 are not yet available. These figures are estimates by the Central Puget Sound Economic Development District.

SOURCE:

Washington State Labor Area Summaries and Employment and Payrolls in Washington State by County and Industry,
Washington State Employment Security, Labor Market and Economic Analysis Branch

INCOME MEASURES

NATION	1998				1999
	I	II	III	IV	I
Per Capita Disposable Personal Income (in 1992 constant \$)	\$19,686	\$19,731	\$19,798	\$19,980	\$20,134

REGION (King, Kitsap, Pierce, Snohomish)	1997			1998	
	II	III	IV	I	II
Wages (current dollars)					
Agriculture, Forestry, Fishing	\$2,052	\$1,957	\$2,250	\$1,998	\$2,068
Mining	\$3,226	\$3,351	\$3,796	\$3,011	\$3,202
Construction	\$2,799	\$2,900	\$3,135	\$2,778	\$2,911
Manufacturing	\$3,620	\$3,604	\$3,909	\$3,579	\$3,760
Transportation and Public Utilities	\$3,180	\$3,258	\$3,380	\$3,800	\$3,308
Wholesale Trade	\$3,217	\$3,310	\$3,566	\$3,545	\$3,440
Retail Trade	\$1,501	\$1,523	\$1,580	\$1,042	\$1,593
FIRE	\$3,323	\$3,423	\$3,734	\$3,996	\$3,534
Services	\$3,015	\$2,904	\$3,098	\$3,484	\$3,506
Government	\$2,880	\$2,957	\$2,924	\$2,897	\$2,969
Overall Average	\$2,838	\$2,837	\$3,008	\$3,013	\$3,029

LOCAL (King County)	1997			1998	
	II	III	IV	I	II
Wages (current dollars)					
Agriculture, Forestry, Fishing	\$2,523	\$2,266	\$2,733	\$2,369	\$2,430
Mining	\$3,327	\$3,443	\$4,084	\$3,260	\$3,447
Construction	\$3,005	\$3,077	\$3,357	\$2,985	\$3,106
Manufacturing	\$3,653	\$3,632	\$3,946	\$3,597	\$3,768
Transportation and Public Utilities	\$3,204	\$3,332	\$3,443	\$3,969	\$3,367
Wholesale Trade	\$3,372	\$3,434	\$3,740	\$3,748	\$3,622
Retail Trade	\$1,603	\$1,623	\$1,698	\$1,675	\$1,708
FIRE	\$3,415	\$3,548	\$4,051	\$4,347	\$3,800
Services	\$3,460	\$3,316	\$3,521	\$4,110	\$4,112
Government	\$2,919	\$3,009	\$2,939	\$2,968	\$3,025
Overall Average	\$3,054	\$3,045	\$3,235	\$3,303	\$3,239

Per Capita Disposable Personal Income: Figures are in 1992 dollars and are seasonally adjusted annual rates.

Wages: Average of monthly wages per worker by industry. Figures are lagged one year or more due to reporting delay.

SOURCES:

Per Capita Disposable Income comes from the U.S. Bureau of Economic Analysis (<http://www.bea.doc.gov/bea/nipbtbl-d.html>).

Wages: *Employment and Payrolls in Washington State by County and Industry* (Washington State Employment Security).

CONSTRUCTION

	1998				1999
	I	II	III	IV	I
Seattle Residential Construction (\$\$ value) 1/	\$93,798,117	\$82,410,027	\$120,586,928	\$120,910,231	\$89,291,828
Seattle Non-Residential Construction (\$\$ value) 2/	\$224,956,831	\$171,410,812	\$225,724,409	\$117,619,315	\$273,824,670
Home Sales (King County)					
# of Sales	4,668	6,444	6,756	5,590	4,752
Median Sales Price	\$202,390	\$211,834	\$217,398	\$218,403	\$225,825
Mean Sales Price	\$245,801	\$258,480	\$265,635	\$265,293	\$275,428
Days on Market	41	34	34	37	42
New Construction Home Sales (King County)					
# of Sales	414	495	410	484	582
Median Sales Price	233,044	269,798	261,266	277,374	289,550
Mean Sales Price	284,136	310,069	293,199	311,760	330,934
Building Permits (Seattle)					
Commercial and Industrial 3/	664	767	857	655	642
Existing Housing Units	507	817	797	524	513
New Residential Permits	172	171	151	239	135
New Residential Units	1,041	570	927	1,032	810

1/ Value consists of total value of permits for residential construction from Seattle DCLU Permit Report

2/ Value consists of total value of permits for Non-residential construction from Seattle DCLU Permit Report

3/ Number of commercial and industrial permits is estimated by number of total permits minus residential, schools, churches, and some specific permits.

Figures represent construction activity for City of Seattle.

Number of commercial and industrial permits is estimated by number of total permits minus residential, schools, churches, and some specific permits.

SOURCES:

City of Seattle Department of Construction and Land Use, *Issued Permit Data* (monthly reports).

Home sale data comes from the Northwest Multiple Listing Service.

OFFICE MARKET

Seattle Overall	1998				1999
	I	II	III	IV	I
Total Sq. Feet	36,308,132	36,547,787	36,988,185	37,732,977	38,149,402
# Buildings	441	445	450	458	
Vacant Sq. Feet	1,977,257	2,051,699	1,989,911	1,633,065	2,261,078
Vacancy Rates	5.4%	5.6%	5.4%	4.3%	5.7%
Project Under Cons (Sq. Ft.)	1,780,275	1,799,555	1,818,754	2,450,015	2,952,735
Absorption (Sq. Ft.)	331,190	48,257	502,186	939,187	-114,513

"Seattle Overall" consists of Downtown, Northend, Southend, and Tacoma/Federal Way.

Downtown Seattle	1998				1999
	I	II	III	IV	I
Total Sq. Feet	26,795,769	26,884,969	27,221,087	27,657,881	28,092,099
# Buildings	209	211	214	217	
Vacant Sq. Feet	1,283,742	1,273,111	1,357,797	1,045,827	1,303,473
Vacancy Rates	4.8%	4.7%	5.0%	3.8%	4.6%
Project Under Cons (Sq. Ft.)	1,780,275	1,780,275	1,778,754	2,410,015	2,376,735
Absorption (Sq. Ft.)	203,871	-29,012	251,432	636,653	288,744
Class A					
Median Lease Rate/sf	\$24.50	\$27.00	\$27.00	\$27.00	\$28.50
Vacancy Rate	2.3%	3.2%	3.8%	3.4%	
Class B					
Median Lease Rate/sf	\$19.50	\$20.00	\$20.00	\$20.00	
Vacancy Rate	10.6%	6.5%	5.9%	5.8%	
Class C					
Vacancy Rate	11.2%	12.8%	9.5%	2.1%	

"Downtown Seattle" consists of the Canal, CBD, Denny Regrade, Lake Union, Lower Queen Anne, Pioneer Square and Waterfront.

North King County	1998				1999
	I	II	III	IV	I
Total Sq. Feet	1,050,559	1,050,559	1,135,559	1,135,559	1,135,559
# Buildings	23	23	24	24	
Vacant Sq. Feet	58,842	44,646	32,934	12,480	13,627
Vacancy Rates	5.6%	4.2%	2.9%	1.1%	1.2%
Project Under Cons (Sq. Ft.)	0	0	0	0	0
Absorption (Sq. Ft.)	-6,685	14,196	96,712	20,454	-55,803
Class A					
Median Lease Rate/sf	\$19.50	\$19.50	\$19.50	\$19.50	\$19.27
Vacancy Rate	5.1%	3.7%	2.5%	1.2%	
Class B					
Median Lease Rate/sf	\$18.00	\$18.50	\$18.50	\$18.50	
Vacancy Rate	8.0%	6.9%	4.8%	0.4%	

"North King County" consists of area north of the Ship Canal up to the King County line.

The absorption rate is the change in amount of leased space. A negative figure means more space came onto the market than was absorbed by new leases. Absorption is calculated by CB Commercial on a building by building basis.

SOURCE: CB Commercial *Quarterly Market Report*, a publication of Coldwell Bankers commercial division.

OFFICE MARKET

South King County	1998				1999
	I	II	III	IV	I
Total Sq. Feet	5,073,840	5,224,295	5,243,575	5,450,136	5,462,343
# Buildings	121	123	124	127	
Vacant Sq. Feet	437,079	503,688	407,804	373,195	672,414
Vacancy Rates	8.6%	9.6%	7.8%	6.8%	12.3%
Project Under Cons (Sq. Ft.)	0	19,280	40,000	40,000	355,000
Absorption (Sq. Ft.)	113,117	74,846	115,164	195,830	-241,592
Class A					
Median Lease Rate/sf	\$17.50	\$18.00	\$18.00	\$18.00	\$17.24
Vacancy Rate	6.5%	5.5%	4.2%	3.9%	
Class B					
Median Lease Rate/sf	\$15.50	\$15.50	\$15.50	\$15.50	
Vacancy Rate	10.9%	17.4%	13.8%	13.7%	

"South King County" consists of area south of the Kingdome to the King County line, excluding Federal Way.

Bellevue/Eastside	1998				1999
	I	II	III	IV	I
Total Sq. Feet	15,379,483	15,610,111	15,828,081	17,776,366	17,985,544
# Buildings	282	288	292	315	
Vacant Sq. Feet	256,527	191,736	282,737	299,097	435,250
Vacancy Rates	1.7%	1.2%	1.8%	1.7%	2.4%
Project Under Cons (Sq. Ft.)	1,178,297	1,924,072	3,321,828	2,495,379	2,500,700
Absorption (Sq. Ft.)	48,458	266,514	126,971	1,221,540	236,797
Class A					
Median Lease Rate/sf	\$26.00	\$26.00	\$24.50	\$26.00	\$25.37
Vacancy Rate	1.4%	1.1%	1.6%	1.9%	
Class B					
Median Lease Rate/sf	\$24.50	\$24.50	\$21.50	\$24.50	
Vacancy Rate	1.8%	2.0%	1.4%	1.2%	
Class C					
Median Lease Rate/sf	\$17.00	\$17.50	\$17.50	\$17.50	
Vacancy Rate	4.4%	4.2%	2.3%	1.0%	

"Bellevue/Eastside" consists of the East side of Lake Washington, from Bothell on the King/Snohomish County line to Renton City Limits.

The absorption rate is the change in amount of leased space. A negative figure means more space came onto the market than was absorbed by new leases.

SOURCE: CB Commercial *Quarterly Market Report*, a publication of Coldwell Bankers commercial division.

INDUSTRIAL MARKET

Seattle Close-In	1998				1999
	I	II	III	IV	I
Total Square Footage					
Industrial	66,602,632	72,831,223	72,960,927	73,125,303	73,948,053
High-Tech	1,220,412	1,220,412	1,220,412	1,220,412	1,220,412
Total	67,823,044	74,051,635	74,181,339	74,345,715	75,168,465
Vacancy					
Industrial	2.7%	2.3%	1.8%	1.6%	1.6%
High-Tech	2.6%	1.6%	3.6%	3.6%	1.3%
Total Vacant Sq. Ft.	1,847,472	1,717,923	1,377,065	1,235,389	1,199,156
Industrial	1,815,583	1,697,993	1,333,618	1,191,942	1,183,169
High-Tech	31,889	19,930	43,447	43,447	15,987
Lease Rates					
Older Buildings	\$.25-.38/sf shell + \$.55-.65/sf office	\$.25-.38/sf shell + \$.55-.65/sf office	\$.25-.38/sf shell + \$.55-.65/sf office	\$.25-.38/sf shell + \$.55-.65/sf office	
Newer Buildings	\$.38-.42/sf shell + \$.60-.65/sf office	\$.38-.42/sf shell + \$.60-.65/sf office	\$.38-.42/sf shell + \$.60-.65/sf office	\$.38-.42/sf shell + \$.60-.65/sf office	\$ 0.50 psf/mo.
NNN Expenses	\$.05-.16/sf per month	\$.05-.16/sf per month	\$.05-.16/sf per month	\$.05-.16/sf per month	
High-Tech	\$.65-1.00/sf per month	\$.65-1.00/sf per month	\$.65-1.00/sf per month	\$.65-1.00/sf per month	\$ 0.82 psf/mo.
Absorption (sf) 2/	580,333	171,851	346,174	306,690	73,587

"Seattle Close-In" stretches from the King/Snohomish line south to Tukwila.

Absorption is for the quarter.

The sudden jump in total industrial square footage within the Seattle Close-In market, during the second quarter of 1998, reflects a redefinition of the market area, (the inclusion of additional existing buildings previously uncounted) and is not attributable to a flood of new construction.

SOURCE: CB Commercial *Quarterly Market Report*, a publication of Coldwell Bankers commercial division.

INDUSTRIAL MARKET

Kent Valley Market	1998				1999
	I	II	III	IV	I
Total Square Footage					
Industrial	81,567,281	82,409,970	82,711,085	83,077,212	83,015,471
High-Tech	1,834,164	1,834,164	1,834,164	1,834,164	1,834,164
Total	83,401,445	84,244,134	84,545,249	84,911,376	84,849,635
Vacancy					
Industrial	5.7%	6.4%	5.7%	5.7%	5.7%
High-Tech	7.1%	14.8%	13.7%	15.0%	15.6%
Total Vacant Sq. Ft.	4,759,999	5,518,471	4,997,366	5,027,325	5,018,195
Industrial	4,629,971	5,247,863	4,745,727	4,752,017	4,731,882
High-Tech	130,028	270,608	251,639	275,308	286,313
Lease Rates					
Older Buildings	\$.28-.30/sf shell + \$.50-.55/sf office		\$.28-.32/sf shell + \$.50-.60/sf office		\$0.32 psf/mo.
New Buildings	\$.30-.34/sf shell + \$.55-.65/sf office		\$.32-.37/sf shell + \$.60-.65/sf office		
NNN expenses	\$.07-.12/sf per month		\$.07-.12/sf per month		\$0.95 psf/mo.
High-Tech	\$0.75-1.15/sf		\$0.75-1.15/sf		
Absorption (sf)	354,098	84,217	842,220	54,493	279,464

"Kent Valley" is defined as Tukwila, Renton, Kent, Auburn and Sea-Tac.

SOURCE: CB Commercial *Quarterly Market Report*, a publication of Coldwell Bankers commercial division.

INDUSTRIAL MARKET

Eastside Market	1998				1999
	I	II	III	IV	I
Total Square Footage	20,371,053	21,240,529	20,761,288	19,874,821	20,271,280
Industrial	15,452,871	16,053,697	15,607,674	15,412,893	15,689,214
High-Tech	4,918,182	5,186,832	5,153,614	4,461,928	4,582,066
Vacancy					
Industrial	4.5%	4.8%	4.3%	3.7%	5.4%
High-Tech	3.8%	5.4%	5.2%	2.5%	2.2%
Total Vacant Sq. Ft.	890,065	1,041,197	933,203	683,610	949,786
Industrial	702,674	762,854	665,657	570,277	850,355
High-Tech	187,391	278,343	267,546	113,333	99,431
Lease Rates					
Older Buildings	\$.40-.60/sf shell + \$.95-1.10/sf office	\$.45-.55/sf shell + \$.95-1.10/sf office	\$.45-.55/sf shell + \$.95-1.10/sf office	\$.45-.55/sf shell + \$.95-1.10/sf office	
New Buildings	\$.45-.65/sf shell + \$.90-1.25/sf office	\$.45-.65/sf shell + \$.95-1.25/sf office	\$.55-.65/sf shell + \$1.10-1.30/sf office	\$.55-.65/sf shell + \$1.10-1.30/sf office	\$0.55-\$1.20 psf/mo.
NNN expenses	\$.11-.31/sf per month	\$.11-.31/sf per month	\$.11-.31/sf per month	\$.11-.31/sf per month	
Absorption (sf)	21,750	729,669	-371,247	288,104	258,498

"Eastside Market" consists of the East side of Lake Washington, King/Snohomish County Line south to Renton City Limits.

Eleven buildings were removed from the eastside inventory because they were too small, converted to owner-user status, or failed to meet other criteria. This accounts for the drop in total square footage and also influences the measure of absorption. Actual absorption in the eastside market this quarter is estimated by CB Richard Ellis to be 231,280 square feet.

SOURCE: CB Commercial *Quarterly Market Report*, a publication of Coldwell Bankers commercial division.

RETAIL					
Puget Sound Area	Second Half	1997 First Half	Second Half	1998 First Half	Second Half
Total Rentable Sq. Footage	55,721,440	57,680,961	60,439,311	62,536,242	59,030,357
Total Vacant	3,093,269	3,692,585	3,727,557	4,195,059	2,613,436
Vacancy Rates	5.6%	6.4%	6.2%	6.7%	4.4%
Absorption (sf)	416,762	1,360,265	2,826,650	1,629,429	6,442,336
Puget Sound consists of the downtown Seattle, Northend, Southend, Eastside, and Kitsap Markets.					
Downtown Seattle	1996 Second Half	1997 First Half	Second Half	1998 First Half	Second Half
Total Rentable Sq. Ft.	3,516,735	3,627,914	3,627,914	3,686,414	4,558,469
Total Vacant	33,571	81,969	92,708	101,172	114,678
Vacancy Rates	1.0%	2.3%	2.6%	2.7%	2.5%
Rental Rates	\$21.45	\$22.78	\$27.03	\$26.60	\$25.16
Absorption (sf)	234,521	62,781	-10,739	50,036	847,549
The Ship Canal south to the West Seattle Bridge including the Central Business District, Denny Regrade, Lower Queen Anne, Pioneer Square, West Lake Union, Capitol Hill and the Central District.					
Northend	1996 Second Half	1997 First Half	Second Half	1998 First Half	Second Half
Total Rentable Sq. Ft.	14,044,655	14,419,662	15,317,492	15,513,322	15,152,425
Total Vacant	730,790	782,182	711,080	849,089	678,490
Vacancy Rates	5.2%	5.4%	4.6%	5.5%	4.5%
Rental Rates	\$13.59	\$13.03	\$14.81	\$11.96	\$13.15
Absorption (sf)	87,567	323,675	1,085,416	57,821	747,419
Northend is defined as North Seattle from Ship Canal up through Snohomish and Northern Counties.					
Southend	1996 Second Half	1997 First Half	Second Half	1998 First Half	Second Half
Total Rentable Sq. Ft.	25,869,468	26,721,964	27,540,484	28,285,213	27,509,392
Total Vacant	1,835,940	1,968,671	2,032,407	2,139,346	1,344,928
Vacancy Rates	7.1%	7.4%	7.4%	7.6%	4.9%
Rental Rates	\$13.59	\$12.29	\$10.61	\$11.78	\$14.65
Absorption (sf)	24,949	719,765	754,784	637,790	2,424,513
"Southend" is South Seattle through Pierce and Thurston Counties.					
Previous to 1Q/95, Southend was defined as the area south of the Kingdome to the King/Pierce County line.					
Bellevue/Eastside	1996 Second Half	1997 First Half	Second Half	1998 First Half	Second Half
Total Rentable Sq. Ft.	9,618,294	9,861,030	10,529,030	11,626,902	11,810,071
Total Vacant	345,609	476,879	515,084	696,958	475,340
Vacancy Rates	3.6%	4.8%	4.9%	6.0%	4.0%
Rental Rates	\$15.68	\$14.72	\$22.55	\$15.24	\$17.32
Absorption (sf)	73,681	111,466	629,795	915,998	761,210
All of King County east of Lake Washington, including Bellevue, Kirkland, Redmond, Issaquah, Bothell and Mercer Island.					

SOURCE: CB Commercial *Quarterly Market Report*, a publication of Coldwell Bankers commercial division.

Apartment Vacancy Rates

	1996		1997		1998
	First Half	Second Half	First Half	Second Half	First Half
Seattle/North King	2.7%	1.2%	1.3%	1.2%	1.7%
Capitol Hill/Eastlake	1.1%	0.9%	1.9%	1.9%	1.4%
Central District	1.7%	1.0%	1.7%	0.5%	NA
Downtown/First Hill	2.6%	1.6%	0.8%	0.8%	1.7%
Magnolia/Queen Anne	2.4%	0.4%	1.3%	1.2%	1.8%
North Seattle	3.2%	0.0%	1.5%	1.2%	1.2%
Sandpoint	1.0%	0.0%	0.0%	0.0%	0.5%
South Seattle	2.1%	1.0%	1.1%	NA	1.0%
University District	4.7%	3.7%	0.8%	1.0%	0.5%
West Seattle	3.1%	1.6%	1.7%	1.1%	0.6%
South King County	5.0%	3.0%	1.9%	1.7%	1.8%
Auburn	5.1%	5.4%	2.3%	1.1%	2.4%
Burien/Des Moines	5.8%	3.2%	2.0%	1.2%	1.6%
Federal Way	4.9%	3.5%	2.0%	1.9%	2.0%
Kent	5.0%	3.2%	1.6%	1.7%	2.2%
Renton	3.3%	1.5%	1.9%	1.9%	1.4%
Sea-Tac/Tukwila	5.8%	2.7%	1.8%	1.8%	1.4%
East King County	2.1%	1.0%	1.1%	1.4%	1.7%
Bellevue	2.1%	0.8%	0.9%	1.0%	1.4%
Bothell/Woodinville	3.0%	0.5%	1.8%	1.6%	3.2%
Issaquah/North Bend	2.0%	2.2%	1.0%	1.8%	1.5%
Kirkland	1.3%	1.3%	1.2%	1.7%	1.9%
Redmond	2.9%	1.2%	0.8%	1.7%	1.0%
Snohomish County	4.2%	1.2%	1.4%	1.1%	1.8%
Edmonds	3.9%	1.0%	1.4%	0.7%	0.9%
Everett	5.1%	1.9%	1.7%	1.1%	1.8%
Lynnwood	3.4%	1.3%	1.0%	1.0%	2.4%
Marysville	1.6%	0.0%	2.1%	1.7%	0.0%
Mountlake Terrace	3.7%	0.3%	0.8%	0.8%	1.8%
Pierce County	6.3%	6.0%	4.8%	4.5%	3.3%
Fircrest	4.8%	4.7%	4.2%	6.2%	3.2%
Gig Harbor	2.4%	4.2%	6.4%	3.6%	5.1%
Lakewood	7.7%	6.9%	6.1%	5.3%	3.6%
Puyallup	8.7%	4.9%	3.0%	3.7%	1.4%
Tacoma	5.6%	6.4%	5.0%	4.5%	2.3%

Source: CB Commercial Market Report

CONVENTION INFORMATION

KING COUNTY	1998				1999
	I	II	III	IV	I
# Conventions/Events	120	139	138	133	157
# Room Nights	155,537	146,025	175,123	123,023	181,501
Local Room Tax	\$2,547,120	\$3,093,573	\$3,583,566	\$2,743,659	N/A
Room Nights per Event	1,296	1,051	1,269	925	1,156

The figures for # events and # room nights are for all events booked at the convention center and area hotels, not just conventions.

"Local Room Tax" shows Washington state Hotel/Motel Tax Distributions to King County. This is used to estimate delegate expenses. Figures have been revised to show when room tax was collected, not distributed, since distribution happens two months after collection. For example, Hotel/Motel distributions for June reflect collections made in April. Second Quarter 1997 includes taxes collected in April, May and June, and distributed in June, July and August.

The tax totals do not include an extra Hotel/Motel Tax collected in Bellevue. Local room tax figures for 1Q/99 are not yet available.

SOURCES:

Seattle-King County Convention and Visitors Bureau (# Conventions/Events and # Room Nights).

Washington Department of Revenue (Hotel/Motel Tax Distribution to King County).

Seattle-King County Dislocation

Company	Location	Occupation	No. of Workers
Boeing	King, Pierce & Snohomish	All job	264
American	Central Puget	Seafood	782
Boston	King	Food/beverag	208
Meyer's	Kirkland	Warehouse/ distribut	144
Sundance Rehab	King	Therapist	80
UPC Health	Federal	Institutional	75
Asia	Seattle	Food/beverag	50
J.K.	Seattle and	Retail	50
Brazos	Renton	Apparel	35
Sea-Bell	Redmon	Apparel	35
Crowley Marine	Seattle	Office/ accounti	30
Swallows	Seattle	Retail	30
Lux	Renton	Warehouse/ distribut	25
Borden Chemical,	Kent	Productio	11
Welch's	Seattle	Retail	10
1998 4th Quarter	15	4210 Dislocated	
1997 4th Quarter	13	799 Dislocated	
1997	46	3848 Dislocated	

Seattle-King County Dislocation

Company	Location	Occupation	No. of Workers
Boeing	King, Pierce & Snohomish	All job	694
Praegitzer	Redmon	Computer chip	300
Bogle & Gates,	Seattle	Lawyers & legal office	290
Hexcel	Kent	Aerospace	250
Rainier Brewing	Seattle	Productio	250
Northern Life Insurance	Seattle	Customer service & daims	200
Future	King	Retail, warehouse & office	200
Adams News Co.,	Seattle	Warehouse, drivers & office	117
Providence Home	King	Homecar	113
Banta	Kent	Printing &	109
Eddie	Redmon	Customer service &	95
Pacificar	Mercer	Customer service & daims	85
Trace Athletic	Seattle	Apparel	65
ConneXt	Bellevue, Seattle &	Software	60
Golden	Seattle	Manufacturi	57
Puget Sound	Central Puget	Billing	50
Interpoint	Redmon	Electronics	46
Ioptic	Bellevue	Computer	45
Sierra On-	Bellevue	Internet	40
Universal	Redmon	Electronics	38
Acme	Renton	Food	35
Providence	Seattle	Telephone	30
Garden	Redmon	Sales & office	30
PageNet	Bellevue	Telecommunicatio	30
Seafirst	Seattle	Customer	20
Context	Seattle	Motivational	17
Seattle	Seattle	Writers &	14
Cedar River Brewing	Renton	Food &	9
1999 1st Quarter	28	9544 Dislocated	
1998 1st Quarter	15	825 Dislocated	
1998	56	7259 Dislocated	

Source: King County Reemployment Support Center.
 First quarter 1999 data include job losses through April 30, 1999.

Boeing Employees in Washington State

1989	106,670
1990	104,515
1991	104,700
1992	98,603
1993	88,890
1994	81,964
1995	71,834
1996	87,769
1997	103,400
1Q/98	103,500
2Q/98	104,000
3Q/98	101,400
4Q/98	98,440
1Q/99	90,400

Source: The Boeing Company

Please note that for annual totals, data reflects the number of Boeing employees in Washington state at the end of the calendar year. For quarterly totals, data reflects the number at the end of the quarter. Boeing employees in Washington state represent approximately 40 percent of the company's U.S.-based workforce (including contingent labor and those employed by subsidiaries).

Boeing Contractual Backlogs

	1Q/98	2Q/98	3Q/98	4Q/98	1Q/99
Commercial Airplanes	92.4	91.8	92.9	86.1	N/A
Information, Space & Defense Systems	28.5	30.0	27.6	26.8	N/A
Total	120.9	121.8	120.5	112.9	N/A

Source: *Annual Report 1998*, The Boeing Company

Figures in billions of dollars. Quarterly totals as of the end of the final month of the quarter.

U.S. Airlines Net Profit

1992	-4,791.3
1993	-2,135.6
1994	-344.1
1995	2,313.6
1996	2,824.3
1997	5,194.7
1998	N/A

Source: Air Transport Association *Annual Report 1998*

Figures in millions of dollars. ATA member airlines transport over 95 percent of all passengers and cargo traffic in the United States.

Taxable Retail Sales

Industry	SIC	King County		Seattle	
		Retail Sales 4Q/98	% Change 4Q/97 4Q/98	Retail Sales 4Q/98	% Change 4Q/97 4Q/98
Total		\$8,456,929,436	6.5%	\$3,052,131,746	5.5%
Contracting	15-17	\$1,320,030,347	19.6%	\$481,753,631	13.9%
Manufacturing	20-39	\$220,739,914	-5.9%	\$85,421,015	-5.4%
Transportation/Comm/Utilities	41-49	\$324,149,380	-13.8%	\$153,283,237	-12.0%
Wholesaling	50-51	\$1,178,349,771	6.3%	\$419,216,392	7.3%
Retail Trade	52-59	\$4,042,197,162	5.6%	\$1,317,326,853	4.6%
Building Materials/Hardware	52	\$222,256,387	9.4%	\$61,662,924	9.2%
Lumber/Bldg Material	521-522	\$106,403,451	11.8%	\$29,176,378	14.3%
Paint, Glass, Wallpaper	523	\$11,700,957	11.1%	\$4,331,401	-4.2%
Hardware Stores	525	\$83,644,134	6.9%	\$24,386,064	1.3%
Nurseries/Garden Supplies	526	\$18,566,437	11.6%	\$3,769,081	60.6%
Mobile Home Dealers	527	\$1,941,408	-21.6%		
General Merchandise	53	\$534,268,118	4.0%	\$120,260,443	0.9%
Department Stores	531	\$356,774,015	2.5%	\$96,418,091	0.0%
Variety Stores	533	\$139,782,989	7.0%	\$17,580,183	3.8%
Other General Merchandise		\$37,711,114	8.0%	\$6,262,169	8.5%
Food	54	\$411,149,803	0.3%	\$124,694,310	-3.6%
Grocery Stores	541	\$392,464,161	1.0%	\$117,227,567	-1.6%
Fruit/Vegetable/Meat	542-543	\$2,330,275	-5.9%	\$774,370	-31.3%
Candy/Nut/Confectionery	544	\$740,839	-30.9%	\$290,694	-33.0%
Dairy Products	545	\$477,417	39.5%	\$205,950	-5.9%
Bakeries	546	\$4,502,142	-9.3%	\$2,665,901	-9.4%
Other Food Stores		\$10,634,969	-13.3%	\$3,529,828	-36.6%
Auto Dealers/Gas Stations	55	\$754,692,220	13.2%	\$197,250,092	10.2%
Auto Dealers (New/Used)	551-552	\$611,549,117	13.2%	\$142,573,517	10.0%
Accessory Dealers	553	\$66,020,489	18.7%	\$21,367,851	27.2%
Service Stations	554	\$32,855,923	11.6%	\$9,355,467	8.9%
Marine/Aircraft, etc		\$44,266,691	7.6%	\$23,953,257	-0.3%
Apparel/Accessories	56	\$301,353,663	2.8%	\$119,944,909	8.3%
Clothing	561-565	\$255,071,014	4.3%	\$105,371,011	12.3%
Shoes	566	\$21,215,076	3.9%	\$7,380,371	10.9%
Other Accessories		\$25,067,573	-10.9%	\$7,193,527	-29.9%
Furniture/Furnishings/Equipment	57	\$538,840,764	0.6%	\$142,193,459	-6.8%
Furniture	571	\$174,503,351	12.8%	\$52,026,742	15.1%
Appliances	572	\$51,162,825	8.2%	\$8,127,702	-11.4%
Electronics/Music Stores	573	\$313,174,588	-6.1%	\$82,039,015	-16.4%
Eating/Drinking Places	58	\$532,477,086	5.1%	\$251,051,241	5.1%
Miscellaneous Retail Stores	59	\$747,159,121	6.9%	\$300,269,475	9.8%
Drug Stores	591	\$84,286,700	-4.4%	\$29,916,068	0.9%
Miscellaneous Retail Stores	594	\$335,838,031	1.4%	\$128,719,545	0.5%
Nonstore Retailers	596	\$73,446,203	7.0%	\$25,825,505	8.9%
Fuel/Ice	598	\$27,099,509	8.9%	\$14,146,755	-1.1%
Other Retail Stores		\$226,488,678	21.6%	\$101,661,602	30.9%
Finance/Insurance/Real Estate	60-67	\$128,429,651	11.8%	\$53,514,450	11.4%
Services	70-88	\$1,174,397,006	6.1%	\$520,856,823	7.8%
Hotels/Motels etc.	70	\$166,032,724	5.9%	\$80,806,714	10.5%
Personal Services	72	\$57,602,356	-2.8%	\$25,126,525	-1.9%
Business Services	73	\$452,398,360	7.5%	\$207,916,379	7.2%
Computer Services	737	\$116,133,550	20.8%	\$50,097,746	18.8%
Automotive Repair/Services	75	\$263,609,828	8.2%	\$91,401,402	8.6%
Other Services		\$234,753,738	3.9%	\$115,605,803	8.6%

Source: *Quarterly Economic Measures*, Washington State Department of Revenue.

Sources for Quarterly Economic Measures

AIR TRANSPORT ASSOCIATION is the source for airline industry profits. Their World Wide Web address is <http://www.air-transport.org/>.

BOEING is the source for Boeing employment and for their backlog of airplane orders. Their World Wide Web address is <http://www.boeing.com/>.

CB COMMERCIAL QUARTERLY MARKET REPORT is a quarterly publication of Coldwell Bankers' commercial division. It contains data on industrial, commercial, retail and apartment properties.

CITY OF SEATTLE DEPARTMENT OF CONSTRUCTION AND LAND USE sends out an *Issued Permit Data* report every month. It contains the number of permits issued and the value of permitted construction.

FEDERAL HOUSING FINANCE BOARD is the source for the national new home mortgage yield. Their web address is <http://www.fhfb.gov/mirs.htm>.

FEDERAL RESERVE is the source for the bulk of national interest rates, as well as industrial production and capacity utilization figures. Their World Wide Web address is <http://www.bog.frb.fed.us/releases/H15/>.

KING COUNTY REEMPLOYMENT SUPPORT CENTER is a core program of the Worker Center and is the source for worker layoff data.

PORT OF SEATTLE is the source for data on air and waterborne freight shipments and passenger traffic.

QUARTERLY BUSINESS REVIEW is published quarterly by the Washington State Dept. of Revenue. It lists the amount of taxable retail sales by industry by county. The data has a lag of around six months.

SEATTLE CITY LIGHT tabulates electrical sales in a monthly revenue report.

SEATTLE DEPARTMENT OF REVENUE is the source for new business starts. It is measured by the number of business licenses issued.

SEATTLE-KING COUNTY CONVENTION AND VISITORS BUREAU is the source for the bulk of convention information. The exception is for local room tax, which comes from the Washington Dept. of Revenue.

U.S. BANKRUPTCY COURT tracks the number and type of bankruptcies and tabulates them monthly.

U.S. BUREAU OF ECONOMIC ANALYSIS is the source for many of the national economic measures. Their web site is <http://www.bea.doc.gov>.

U.S. CENSUS BUREAU is the source for manufacturers' new orders and non-defense capital goods orders. Their web site is <http://www.census.gov/indicator/www/table5p.txt>.

WASHINGTON DEPT. OF REVENUE publishes *Local Tax Distributions* every two months. This is the source for local room tax.

WASHINGTON STATE EMPLOYMENT SECURITY publishes *Labor Area Summaries* and *Employment and Payrolls* which provide data on employment and unemployment, as well as information on wages and prices.